III. REMARKS

Present Application

Claims 2-50, and 52-60 are now pending in this application. Claims 1 and 51 have been canceled without prejudice. Applicants gratefully acknowledge the Examiner's holding the Original Claims 19-36 and 55-60 allowable. Rejected Claims 2, 9, and 37 have been amended. Claims 4, 10, 18, 40, 42, 43, 53, and 54 have been amended. No new matter has been introduced with this amendment which is supported throughout the instant Specification. Applicants respectfully assert that all of the pending claims are patentable.

Response to Objections

The Examiner's Position

The Examiner has issued an objection to Claims 4-8, 10-18, 40-43, 53 and 54 as depending from a rejected base claim, but allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

The Applicants' Response

Applicants respectfully traverse the objection to claims 4-8, 10-18, 40-43, 53 and 54 on the basis that as further set forth below, the claims are independently patentable.

Claims 1 and 51 have been canceled without prejudice. Pending claim 4 is deemed to overcome the Examiner's objections since it is believed to be in allowable form as set forth above (i.e., is rewritten in independent form including all of the limitations of the base claim and any intervening claim). Dependent claims 5-8 are left unchanged since they now depend from independent claim 4. Claim 10 is deemed to overcome the Examiner's objections since it is believed to be in allowable independent form (as set forth above). Dependent claims 11-17 are left unchanged since they depend from now independent claim 10. Dependent claim 18 is believed to be in allowable form since it is

now dependent on newly independent claim 4. Dependent claim 40 is believed to be in allowable form since it is now dependent on amended claim 37, which is now independent. Dependent claim 41 is left unchanged since it depends on amended claim 40, which depends on now independent claim 37. Dependent claims 42 and 43 are believed to be in allowable form since they have been amended to depend from claim 40. Pending dependent claim 53 is deemed to overcome the Examiner's objections since it now is rewritten in independent form, including all of the limitations of the base claim and any intervening claim. Dependent claim 54 is believed to be in allowable form since it is now dependent on independent claim 53.

RESPONSE TO REJECTIONS

35 U.S.C. §102(e)

• The Examiner's Position:

The Examiner has rejected claims 1, 9 and 49-52 under 35 U.S.C. §102(e) as being anticipated by U.S. 5,937,097 to Lennon entitled "Motion Detection Method and Apparatus". In the Examiner's opinion, Lennon (Figs. 3 and 4; col. 8, lines 29-48) discloses a method of compressing data including first and second data sets comprising: transforming the first and second data sets into corresponding first and second transform coefficient sets; generating data representing differences between the first and second transform coefficient sets; and encoding the generated data for transmission.

Regarding claim 9, the Examiner also cites this reference as disclosing in Fig. 3 "wherein transforming of the first and second data sets produces the first transform coefficient set as a first collection of subbands and the second transform coefficient set as a second collection of subbands" since a wavelet transformed coefficient set is essentially a collection of subbands.

Regarding claims 49-50, the examiner states that Fig. 4 and line 55+ of Lennon clearly anticipates these claims without presenting an argument.

Regarding claims 51-52, the Examiner states that Figs. 3 and 4 anticipate these claims since motion detection is carried out in the transformed domain in Lennon.

• Applicants' Response:

Applicants respectfully traverse each of the Examiner's 35 U.S.C. § 102(e) rejections of claims 1, 9 and 49-52 in part on the basis that the reference recited does not disclose each of the elements of any of the pending claims.

Claims 1 and 51 have been canceled without prejudice. Therefore, Applicants respectfully assert that the 35 U.S.C. § 102(e) rejection with respect to these claims is mooted. Applicants respectfully traverse the Examiner's 35 U.S.C. §102(e) rejection of claim 9 since claim 9 has been amended to depend from newly independent claim 4, the latter in a form believed to be allowable since it was amended according to recommendations of the Examiner.

Applicants respectfully traverse the Examiner's 35 U.S.C. §102(e) rejection of claims 49, 50, 52-54. Applicants respectfully traverse the Examiner's 35 U.S.C. §102(e) rejection of claim 52 since claim 52 has been amended to depend from now independent claim 53 (the latter in a form believed to be allowable since it was amended according to recommendations of the Examiner). In respect of Claim 49, Applicants respectfully find no correspondence in the Lennon reference for at least the steps of (a) applying a related data subset from the other of the first and second data sets to the search region; and (b) traversing incrementally the related data subset within the search region to a position representing a best incremental match. Applicants respectfully request the Examiner to specifically recite disclosure in the reference for these elements. As claim 50 depends from claim 49, it is further asserted that claim 50 is not anticipated by the Lennon reference.

Therefore, Applicants respectfully request that such 35 U.S.C. §102(e) rejections be withdrawn, and the presently pending claims all be found allowable which favorable action is respectfully solicited.

35 U.S.C. §103(a)

• The Examiner's Position:

The Examiner has rejected claims 2, 3 and 37-39, and 44-48 under 35 U.S.C. §103(a). The Examiner rejects each of the claims over the Lennon reference in view of U.S. 5,850,482 to Meany *et al.* entitled "Error Resilient Method and Apparatus for Entropy Coding".

With regard to claim 2, the Examiner acknowledges that "wherein transforming the first and second data sets is performed utilizing a tensor product wavelet transform" is not anticipated by Lennon. The Examiner asserts, however, that a wavelet transform is well known and used in the art as evidenced in Meany. Therefore, the Examiner argues that it would have been obvious to use a tensor product wavelet transform as claimed for the wavelet transformed technique disclosed in Lennon.

With regard to claim 3, the examiner asserts that "wherein remainders from one subband are transmitted to another subband" is unpatentable over Lennon in view of Meany since the limitation is impliedly taught in the tensor product wavelet transform made known by Meany.

The Examiner rejects claim 37 and 48 on the basis of arguments made for claims 2 and 3 above. The Examiner rejects claims 38-39, and 44-46, arguing that the claimed limitations are impliedly taught in the tensor product wavelet transform made known and used in Meany. The Examiner rejects claim 47, arguing that a wavelet transform technique may be interchanged with other techniques such as the discrete cosign transform (DCT).

Applicant's Response:

Applicants traverse the Examiner's 35 U.S.C. § 103(a) rejections of claims 2, 3, 37-39 and 44-48 based in part on the failure of the Examiner to provide motivation for combining the references in the manner asserted, and because one of ordinary skill in the

art at the time of the invention would not find such embodiments obvious in light of the prior art.

Applicants assert that the Examiner's U.S.C. § 103(a) rejections of claims 2 and 3 and should be withdrawn as these claims are now dependent on newly independent claim 4, the latter amended to be put in a form for allowance as per the Examiner's recommendation. Thus, the references of record do not teach every element of either claim 2 or claim 3. Likewise, the Applicants respectfully request that the Examiner withdraw the U.S.C. § 103(a) rejections of claim 37 since this claim has been amended to contain some of the limitations of claim 40. Thus, the references of record do not teach every element of claim 40. Likewise, the Applicants respectfully request that the Examiner withdraw U.S.C. 103§ (a) rejections of claim 38 and 39 since these claims depend from claim 37, which is asserted to be patentable in itself.

Applicants further respectfully request that the Examiner withdraw the U.S.C. § 103(a) rejection of claims 44-47, claims 45-47 depending on claim 44, because the references of record do not disclose or suggest every element of claim 44. Specifically, it is asserted that references of record do not teach or suggest at least the limitation of "propagating the remainders derived during encoding from a first filter path to a second filter path." *In re Lee*, 277 F.3d 1338, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002), it rejected the "common knowledge of one skilled in the art as a substitute for specific evidence that the prior art suggests an invalidating combination of references. Conclusory statements about an invention and prior art teachings do not adequately address the factual issue of a motivation to combine references.

In respect of claim 48, Applicants respectfully request that the Examiner withdraw the U.S.C. § 103 (a) rejection because the references of record do not teach or suggest the limitation "normalizing the first filter component to generate a normalized output and a remainder; and propagating the remainder to the second filter path."

Therefore, Applicants respectfully request that such 35 U.S.C. §103(a) rejections be withdrawn, and the presently pending claims all be found allowable which favorable action is respectfully solicited.

RESPONSE TO ALLOWABLE SUBJECT MATTER

• The Examiner's Position:

The Examiner has allowed 4-8, 10-18, 40-43, 53 and 54 "if rewritten in independent form including all of the limitations of the base claim and any intervening claim."

• Applicants' Response:

As set forth above, applicants respectfully traverse the objection to claims 4-8, 10-18, 40-43, 53 and 54 arguing that the claims from which they depend are independently patentable. However, as further set forth above, applicants have amended claims 4, 10, and 53 to be in independent form to include all the limitations of the base claim and any intervening claims. It is submitted that the dependent claims 5-8, 11-18 and 54 depending from allowable base claims, therefore, are also in condition of allowance. Dependent claims 40-43 now depend on amended independent claim 37, which is asserted to be patentable in its own right, and thus claims 37 and 40-43 are also believed to be in condition of allowance.

CONCLUDING REMARKS AND REQUESTS

For all of the reasons set forth above, it is firmly believed that pending claims 2-50, and 52-60 are allowable. Early notification of allowance is solicited.

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Respectfully submitted,

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